Dr. A. R. Menon *(Minister for Rural Development):* I constitute to a very great extent the Government so far as transferred subjects are concerned, and I say "no".

Mr. M. K. Devassy *(Adur):* I never question your character of being Government. I wish that you are the sole Government so far as the transferred departments are concerned.

Mr. President: Are we not straying a little further from the question under consideration?

Mr. C. V. Iyyu *(Kunnamkulam):* The idea of referendum appeared in the *Madras Mail* a week before I met the Hon'ble Minister.

Dr. A. R. Menon *(Minister for Rural Development):* You were spreading this propaganda in a wider circle. The correspondent of the *Madras Mail* might also have got this inspiration from you *(Laughter)*.

NEMMARA TOWN COUNCIL—BUDGET FOR 1116

29. Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* Will Government be pleased—

(*a*) to print and place on the table of the House the budget estimate for the year 1116 of the Nemmara Town Council;

(*b*) when was the budget sent from the Council to Government for approval;

(*c*) whether Government had suggested any changes in the budget before approval?

Dr. A. R. Menon *(Minister for Rural Development):*

(*a*) No regular budget was prepared and sanctioned for the Nemmara Town Council for this year.

(*b*) & (*c*) The Town Council President submitted to Government in Kumbham 1116 a formal budget for approval. But it was not sanctioned by Government, as it was thought that no purpose would be served by approving a budget at the end of the year.

Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* May I know, Sir, whether the Nemmara Town Council is permitted by Government to expend without a budget and to receive tax before preparing and sanctioning a budget?

Mr. P. V. Raphael *(Joint Secretary to Government):* It is only stated here that no regular budget was prepared.

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Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* So, was there any irregular budget?

Mr. P. V. Raphael *(Joint Secretary to Government):* It is not a question of irregular budget. That is a new institution. We have given them sanction for incurring expenditure with previous sanction in appropriate cases.

Mr. M. K. Devassy *(Adur):* May I know the reason why no regular budget was prepared for the Nemmara Town Council?

Mr. P. V. Raphael *(Joint Secretary to Government):* For 1117 a budget is prepared and with that also a revised estimate. The only thing is, when it was started, there was no regular budget prepared. They applied for sanction to incur expenditure under certain heads and it was sanctioned.

Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* So, for the whole of the year 1116 they were functioning without a budget?

Mr. P. V. Raphael *(Joint Secretary to Government):* There was sanction for every item of expenditure incurred. Budgets for a year are prepared only before the close of the previous year. As the Town Council was constituted only towards the middle of 1116, there was no time for preparing a budget when all the budgets for the Municipalities and other institutions were prepared. There was no regular budget for this, but no expenditure has been incurred by them without proper sanction of Government.

Mr. M. K. Devassy *(Adur):* May I know the income of the Nemmara Town Council for the year 1116?

Mr. P. V. Raphael *(Joint Secretary to Government):* I want notice.

Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* May I take it that this is the case with all the other Town Councils established in 1116?

Mr. P. V. Raphael *(Joint Secretary to Government):* There has been no regular budget for most of these Town Councils.

Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* May I know, Sir, when were these Town Councils constituted?

Mr. P. V. Raphael *(Joint Secretary to Government):* In Vrischigam 1116.

Mr. V. K. Bhaskara Menon *(Cranganur):* May I know, Sir, why exactly the formal budget presented by the Nemmara Town Council not approved by Government?

Rama Varmha Tampuran *(Comptroller of Finance and Accounts):* Because it was very incorrect. For one thing they had

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no experience of budgetting, and secondly they had no details of the various sources of income under each item. And when by the time they sent it up, it was time for the revised estimate and preparation of the next year's budget. Generally the budgets for the next year are due in my office in Meenam. Therefore, we thought there is no use of approving such an incorrect budget, and as the Joint Secretary explained, specific sanction had been given for incurring specific items of expenditure. There is therefore absolutely nothing irregular in the procedure adopted. We thought the more appropriate course would be to prepare the revised estimate correctly as also the next year's budget and that course was adopted. As a matter of fact it is I who recommended to the Government to adopt such a procedure. There is no use of approving a budget which is incorrect. It is better to wait for a couple of months more to draw up a more correct revised estimate and budget estimate for the next year.

Mr. V. K. Bhaskara Menon *(Cranganur):* A revised estimate without a budget estimate? Seems funny!

Rama Varmha Tampuran *(Comptroller of Finance and Accounts):* Technically the hon'ble member is right. But in this case, by revised estimate I mean a more accurate estimate of receipts and expenditure. If you want a budget estimate, there must be a revised estimate. But here there was no room for both.

Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* May I know, Sir, whether it is not the function of the Special Officer of the Town Councils to help the Town Councils to prepare the budget?

Rama Varmha Tampuran *(Comptroller of Finance and Accounts):* He is not the administrator of the Town Councils.

Mr. K. R. Viswambharan *(Ezhuvas-Talapalli):* Is it not a part of the duties of the Special Officer for Town Councils to assist the inexperienced Councils in preparing the budget?

Rama Varmha Tampuran *(Comptroller of Finance and Accounts):* It is the President of the Council concerned to prepare the budget. No other officer can go and do that.

Mr. C. V. Iyyu *(Kunnamkulam):* Should not the Special Officer advise these Councils in such matters?

Rama Varmha Tampuran *(Comptroller of Finance and Accounts):* They were advised and that is the very reason why incorrectly prepared estimate was not approved. They were advised. They also wanted some time. Everyone of them was new to the job and naturally there is nothing wonderful or strange in this.

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Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* May I know whether the Government have contributed anything to the Nemmara Town Council during the course of 1116?

Dr. A. R. Menon *(Minister for Rural Development):* Government have generously contributed. The figures are given in answer to another question.

NEMMARA TOWN COUNCIL—HOUSE-TAX ASSESSMENT OF

30. Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* Will Government be pleased to state.—

(*a*) who fixed the house-tax (to be levied by the Town Council) in the case of buildings belonging to the President of the Nemmara Town Council;

(*b*) what is the house-tax fixed ;

(*c*) what is the house-tax in respect of the buildings of Mr. K. V. Ananthakrishna Ayyar, a member of the Nemmara Town Council ;

(*d*) who assessed the tax in respect of the case referred to in (*c*)?

Dr. A. R. Menon *(Minister for Rural Development):*

(*a*) The Diwan Peishkar.

(*b*) & (*c*) A statement giving the information is placed on the Council Table.

(*d*) The President assisted by the Special Assessor.

Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* May I know, Sir, whether a complaint was received from the gentleman referred to in (*c*) that the house tax fixed for the tenaments of his has been in excess of what he is exactly bound to pay?

Dr. A. R. Menon *(Minister for Rural Development):* Yes.

Mr. K. R. Viswambharan *(Ezhuvas-Talappalli):* From the statement placed on the Council Table I find that the President there is in possession of more houses than the gentleman referred to in (*c*) and that the assessment of his houses is lower. How can that be accounted for?

Dr. A. R. Menon *(Minister for Rural Development):* I said, with regard to the President's houses the assessment was made by the Diwan Peishkar and not by him. Therefore there is nothing to question that assessment. The only question that remains is whether the other assessment is higher. Town Council is a self-governing and absolutely independent body. Government have very limited powers to interfere with its working. And generally it would be a

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